GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1938
ANSWERED ON:05.08.2005
HEALTH INSURANCE
Jagannath Dr. M.

Will the Minister of FINANCE be pleased to state:

(a) whether more than 50 per cent health insurance policies lapse in a year for non-payment of premium;

(b) if so, whether the Government has assessed specific reasons for such a drastic default in payment by the customers;

(c) if so, the details is thereof; and

(d) the steps taken or proposed to be taken by the Government to lure the customers for opting the health insurance policies?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM)

(a) to (c) No, Sir. On the other hand, coverage under the health insurance policies is increasing every year and its renewal ratio is better as compared to other insurance policies.

(d) Insurance companies take care to send renewal notices to the existing policyholders and provide incentive for renewal in the form of `no claim bonus` @ 5% per year subject to a maximum of 50%.